



Senate

General Assembly

File No. 485

February Session, 2000

Substitute Senate Bill No. 529

Senate, April 10, 2000

The Committee on Finance, Revenue and Bonding reported through SEN. LOONEY of the 11th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

An Act Concerning The Status Of Certain Taxpayers Under The Admissions Tax.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-541 of the general statutes, as amended by
2 section 16 of public act 99-121, section 52 of public act 99-173, section
3 57 of public act 99-241 and section 27 of public act 99-1 of the June
4 special session, is repealed and the following is substituted in lieu
5 thereof:

6 (a) There is hereby imposed a tax of ten per cent of the admission
7 charge to any place of amusement, entertainment or recreation, except
8 that no tax shall be imposed with respect to any admission charge (1)
9 when the admission charge is less than one dollar or, in the case of any
10 motion picture show, when the admission charge is not more than five
11 dollars, (2) when a daily admission charge is imposed which entitles
12 the patron to participate in an athletic or sporting activity, (3) to any

13 event, other than events held at the sportsplex, as defined in section
14 32-651, all of the proceeds from which inure exclusively to an entity
15 which is exempt from federal income tax under the Internal Revenue
16 Code, provided such entity actively engages in and assumes the
17 financial risk associated with the presentation of such event, (4) to any
18 event, other than events held at the sportsplex, as defined in section
19 32-651, which in the opinion of the commissioner, is conducted
20 primarily to raise funds for an entity which is exempt from federal
21 income tax under the Internal Revenue Code, provided the
22 commissioner is satisfied that the net profit which inures to such entity
23 from such event will exceed the amount of the admissions tax which,
24 but for this subdivision, would be imposed upon the person making
25 such charge to such event, (5) to (A) any event at the Hartford Civic
26 Center, the New Haven Coliseum, New Britain Beehive Stadium, New
27 Britain Stadium, effective for events occurring on or after the date such
28 stadium was placed in service, New Britain Veterans Memorial
29 Stadium, Bridgeport Harbor Yard Stadium, Stafford Motor Speedway,
30 Lime Rock Park, Thompson Speedway and Waterford Speedbowl,
31 facilities owned or managed by the Tennis Foundation of Connecticut
32 or any successor organization or the William A. O'Neill Convocation
33 Center, and (B) games of the New Britain Rock Cats, New Haven
34 Ravens or the Waterbury Spirit, (6) other than for events held at the
35 sportsplex, as defined in section 32-651, paid by centers of service for
36 elderly persons, as described in subdivision (d) of section 17b-425, (7)
37 to any production featuring live performances by actors or musicians
38 presented at Gateway's Candlewood Playhouse, Ocean Beach Park or
39 any nonprofit theater or playhouse in the state, provided such theater
40 or playhouse possesses evidence confirming exemption from federal
41 tax under Section 501 of the Internal Revenue Code, [or] (8) to any
42 carnival or amusement ride, or (9) if the admission charge would have
43 been subject to tax under the provisions of section 12-542 of the general
44 statutes, revision of 1958, revised to January 1, 1999.

45 (b) The tax shall be imposed upon the person making such charge

46 and reimbursement for the tax shall be collected by such person from
47 the purchaser. Such reimbursement, termed "tax", shall be paid by the
48 purchaser to the person making the admission charge. Such tax, when
49 added to the admission charge, shall be a debt from the purchaser to
50 the person making the admission charge and shall be recoverable at
51 law. The amount of tax reimbursement, when so collected, shall be
52 deemed to be a special fund in trust for the state of Connecticut.

53 Sec. 2. This act shall take effect from its passage.

FIN Committee Vote: Yea 47 Nay 0 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Revenue Loss

Affected Agencies: Department of Revenue Services

Municipal Impact: None

Explanation**State Impact:**

The bill is expected to result in a revenue loss, beginning in FY 01, of \$1.3 million per year.

OLR Bill Analysis

sSB 529

***AN ACT CONCERNING THE STATUS OF CERTAIN TAXPAYERS
UNDER THE ADMISSIONS TAX.*****SUMMARY:**

This bill exempts from the admissions tax, admissions to establishments whose admission charges were subject to the former cabaret tax. The cabaret tax was eliminated as of July 1, 1999.

The cabaret tax applied to establishments that serve refreshments and provide music, dancing and other entertainment for profit. The tax was 5% of the total amount charged for admission, food and drinks, service, and merchandise.

The admission tax is 10% of the admission charge to any place of amusement, entertainment, or recreation, with many exceptions.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 47 Nay 0